

## **INSTITUTIONS FOR MENTAL DISEASES (IMD) INFORMATION SHEET**

**An Institution for Mental Disease (IMD)** is defined at 42 CFR 435.1009 as a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care and related services. The regulations indicate that an institution is an IMD if its overall character is that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases. Title XIX of the Social Security Act provides that, except for individuals under age 21 receiving inpatient psychiatric care, Medicaid (Title XIX) does not cover services to IMD patients under 65 years of age [section 1905(a)(24)(B)]. Effective July 5, 2000, HCFA granted Arizona expenditure authority to provide limited services to Title XIX persons age 21 through 64 in IMDs. Based on current ADHS/OBHL licensing language, facilities which meet the definition of an IMD are licensed Level I facilities with more than 16 total treatment beds. General acute care hospitals with psychiatric units *are not* considered IMDs.

### **Settings/Provider Types:**

- Level I Psychiatric Hospital (provider type 71)
- Level I Residential Treatment Center with more than 16 beds (provider types B1 and B3)
- Level I Sub-acute facility with more than 16 beds (provider type B6)
- Medicare certified nursing facility with more than 16 beds and more than 50% of patients are primarily treated for mental disorders (provider type 22)

### **Service Limitations:**

A Title XIX member who is 21 years through 64 years old may receive services in an IMD for up to 30 days per admission and 60 days per contract year (July 1 – June 30). A member whose stay exceeds 30 days per admission/60 days per contract year may lose Title XIX eligibility. IMD agencies must provide written notification to a Title XIX member at admission that their AHCCCS eligibility will end if they remain in an IMD longer than 30 days per admission or 60 days annually. An AHCCCS member (21-64 years) who exceeds 30 inpatient days in an IMD is considered to be in an ineligible setting and is not entitled to receive any Medicaid service, either inside or outside of the facility, while remaining as a resident.

### **Reimbursement Limitations/Provider Requirements:**

- The Arizona State Hospital must report all admissions of Title XIX or Title XXI members to AHCCCS Member Services (fax: 602-253-4807 or telephone: 602-417-4063).
- IMDs, other than the Arizona State Hospital, are required to notify AHCCCS Member Services (fax: 602-253-4807 or telephone: 602-417-4063) only when a Title XIX member age 21 through 64 years old has been a resident/inpatient for 30 consecutive days and provide the following information:
  - *Provider* Identification Number and telephone number
  - *Recipient's* name, date of birth, AHCCCS Identification Number *and* Social Security Number
  - Date of admission

AHCCCS eligibility for a member whose admission has been reported as exceeding 30 days will be 'suspended' for the remainder of the admission. IMD Providers are required to notify AHCCCS Division of Members Services (DMS) when the member is discharged so that eligibility can be restored. This limited tracking of member admissions/discharges will not function to collect cumulative utilization. Contractors and providers should be aware that due to claims and encounter lags, they cannot rely on timely tracking of utilization at the state agency level (AHCCCS and ADHS/DBHS) and are therefore encouraged to solicit utilization information from client history, medical records and other measures as appropriate. Facilities other than the Arizona State Hospital should *not* report admissions of members who are less than 21 years old or age 65 and older to AHCCCS but may be required to report such admissions to RBHAs or ALTCS Contractors. ALTCS Contractors and ADHS or designee must monitor

members age 21 through 64 cumulative utilization and report to DMS when a member reaches 60 cumulative days.

**Kids Care:**

The federal IMD regulations do not apply to Title XXI (KidsCare) members; the 30/60 IMD limitations are not applicable to this population. Admission/discharge notification is *not* reported to AHCCCS Administration. AHCCCS KidsCare members can be admitted to an IMD if they are *already* eligible for Title XXI. However, federal regulations prohibit application or redetermination for Title XXI while a resident of an IMD. Provider types which identify IMD status of Residential Treatment Centers have therefore been established: provider types B1 and B3 **are** IMDs; provider types 78 and B2 **are not** IMDs for KidsCare redetermination purposes only. KidsCare members in IMDs will be evaluated for Title XIX eligibility at the end of their KidsCare eligibility period.